

SENATE BILL No. 79

DIGEST OF INTRODUCED BILL

Citations Affected: IC 24-4.6-2-7.

Synopsis: Septic system disclosure in residential sale. Imposes a duty on the owner of residential real estate, through the Indiana real estate commission's sales disclosure form, to make a disclosure if the owner knows that: (1) after the original construction of the residence, the number of bedrooms was increased; and (2) no permit was obtained to represent a determination by the local health department that the septic system was adequate to accommodate the modified residence.

Effective: July 1, 2002.

Simpson

December 7, 2001, read first time and referred to Committee on Environmental Affairs.

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Introduced

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE BILL No. 79

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulations; consumer sales and credit.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 24-4.6-2-7 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. The Indiana real
3 estate commission established by IC 25-34.1-2-1 shall adopt a specific
4 disclosure form that contains the following:

5 (1) Disclosure by the owner of the known condition of the
6 following areas:

7 (A) The foundation.

8 (B) The mechanical systems.

9 (C) The roof.

10 (D) The structure.

11 (E) The water and sewer systems.

12 (F) Other areas that the Indiana real estate commission
13 determines are appropriate.

14 (2) A notice to the prospective buyer that contains substantially
15 the following language:

16 "The prospective buyer and the owner may wish to obtain
17 professional advice or inspections of the property and provide for



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1 appropriate provisions in a contract between them concerning any
2 advice, inspections, defects, or warranties obtained on the
3 property."

4 (3) A notice to the prospective buyer that contains substantially
5 the following language:

6 "The representations in this form are the representations of the
7 owner and are not the representations of the agent, if any. This
8 information is for disclosure only and is not intended to be a part
9 of any contract between the buyer and owner."

10 (4) A disclosure by the owner that an airport is located within a
11 geographical distance from the property as determined by the
12 Indiana real estate commission. The commission may consider the
13 differences between an airport serving commercial airlines and an
14 airport that does not serve commercial airlines in determining the
15 distance to be disclosed.

16 **(5) With respect to a residence served by a residential sewage**
17 **disposal system (as defined in 410 IAC 6-8.1-17), if the owner**
18 **knows that:**

19 (A) after the original construction of the residence, the
20 number of bedrooms in the residence was increased in a
21 replacement, reconstruction, expansion, or remodeling of
22 the residence; and

23 (B) no residential sewage disposal system permit was
24 obtained as required under 410 IAC 6-8.1-33 before the
25 replacement, reconstruction, expansion, or remodeling
26 described in clause (A);

27 disclosure by the owner that no residential sewage disposal
28 system permit was obtained as described in this subdivision.

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